98

1044-45. **File No.** 7024/36

B CLASS

P.W. DEPARTMENT
El. BRANCH.

Subject:— Electric License,
Bijápur
Surcharge on the
sanctioned rate.

IV

File No. 7024/36

Std. Estt. Slip 24-B

I. R., G. D., No. 2406, dated 22-6-22.]

Std. Sectt. 78 a.

DOCKET SHEET

Subject:—

File No. T024/36

Pn **DEPT.**

EC **BRANCH.**

References:—

Date.	To whom sent.	Notes and instructions.

Copy of letter No.G-181, dated the 20th July 1944, from The Bijapur Electric Supply Co.Ltd., Bijapur, to the Electrical Engineer to Government, P.W.D., Bombay.

Re:- War Cost Surcharge.

We are in due receipt of your letter No.LRM.31/1736 of 1944, dated the 17th instant.

In item a(4) of the First Schedule Column I of the order specific instructions are given for calculating the increased cost of maintenance. We have to the best of our knowledge complied with the instruction.

The Model Form para.4 enclosed by you for our guidance contain extra items. The procedure of calculation is also different. In order that we should submit the statement as per the new model form, we would require some time ~~xx~~ for submission of the statement. The statement will, therefore, be sent at a very early date. The period should therefore be condoned. Please excuse for the trouble given.

"True Copy"

for Head Clerk to the
Electrical Engineer to Govt.

3 Rm 31

No. 1858 of 1944.
P.W.D. Offices, Churchgate Street,
Fort, Bombay, 22nd July 1944.

From:

The Electrical Engineer to Government,
Public Works Department, Bombay.

To.

The Bijapur Electric Supply Co.Ltd.,
Bijapur.

Subject:- War Costs Surcharge.

Sirs,

Referring to your letter No.G-181 dated the 20th instant, I have to request you to send your representative to this office as early as possible to receive instructions in connection with the calculations for the War Costs Surcharge, to avoid delay in correspondence.

Your obedient servant,

Electrical Engineer to Govt.

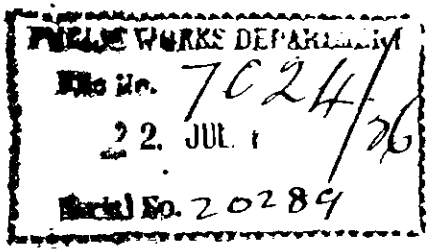
P.

1859 Copy forwarded, with compliments, to the Secretary to Government, Public Works Department, Bombay, for information, together with a copy of the letter under reply.

The Company had submitted the required information under their letter No.G.175 dated 14-7-1944, but as the calculations .....

calculations therein were not in accordance with the First Schedule to the Order, they were asked to submit the information in accordance with the model form.

El Bx 24/7



REGISTERED 5

The Bijapur Electric Supply Co. Ltd.

Abdulkayum & Sons.
Managing Agents.

No. G-175 of 1944-45.

Bijapur. 14th July 1944.
M. S. M. Ry.

ELECTRICAL ENGINEER TO GOVERNMENT
Inwd. No. 3657
17 JUL 1944
File No. 8R7131
P. W. D., BOMBAY.

To,

The Secretary to the Government of Bombay
Public Works Department.

Through:- The Electrical Engineer to the Government of Bombay, Public Works Department.

Sir,

Subject:- War Cost Surcharge.

With reference to your Order No.6331/36, published in the Bombay Government Gazette Extraordinary dated the 16th June 1944, we beg to state as under:-

We have taken the period 1943-44 as the year for calculating the estimated War Cost Surcharge. Numbers to our paras refer to the numbers of the clauses of the Order under reference.

3.(1).(a). We declare that we should be allowed to charge the War Cost Surcharge at the rate of 33 1/3 percent on the charges for the supply of energy to all types of consumers.

(b). We are appending herewith a Table showing the relevant items of expenses incurred during the year for the calculation of our War Cost Surcharge. In the year of estimate 1943-44 surcharge at 33 1/3 percent is ~~calculated~~ collected from the motive power consumers. In the year 1942-43 no surcharge was charged. The year 1939-40 is for the basis of comparison.

From the table it will be clear that the maintenance material cost per unit generated is increasing at a rapid rate year by year. The cost per unit in 1943-44 has increased by 23 % as compared to the cost in the year 1942-43. If 1943-44 is compared to 1939-40 it will be found that the same has increased by 76 %. In view of the increase in cost shown in the Table we request that we should be allowed to charge War-Cost-Surcharge at the rate of 33 1/3 percent.

3. (1). We are of opinion that the War Cost Surcharge should be applied to our Company.

3.(1).(c).We certify that the above said calculations are correct to the best of our knowledge.

P. T. O.

3.(1).(d). So far our Company's income has not reached the amount over which extra profit Tax could be levied.

3.(1).(e). The same as in (d).

3 (2). The First schedule column I and Column II are enclosed.

7.). We are charging surcharge at the rate of 33-1/3 percent on the motive power consumers only. As soon as a fresh order is received the existing surcharge will be withdrawn.

(8). Our Power House supplied energy only for 12 (twelve) hours instead of 24 hours. This was done in obedience to the restriction orders imposed on us by Government.

Street Light Maintenance Charges.

The current rate at which we are charging the Bijapur Municipality for street light maintenance is at 0-3-6 - (Annas three and pies six only) per lamp per month. We think that in view of the heavy expenses incurred on the maintenance of street lights and the actual amount recovered from the Municipality, the rate of annas 3/- and pies six now charged be increased to annas four and pies six only per lamp per month.

The reasons in support of our statement are as under :-

Amount spent in 1942-43 :-	Rs.	1620/-	Loss of Rs.20/-
Amount recovered " :-	Rs.	1600/-	
Amount spent in 1943-44 :-	Rs.	1830/-	Loss of Rs.250/-
Amount recovered " :-	Rs.	1580/-	

The company is therefore spending more than the income. In order therefore , we should recover as much as we spend, we request that we should be allowed to charge maintenance charge at the rate of annas four and pies six only per lamp per month.

We remain

Sir,

Yours faithfully,

Encl:- One schedule & one Table.

MANAGER.
THE BIJAPUR ELECTRIC SUPPLYCO. LTD.,
BIJAPUR.

The First Schedule. 9

(Column) I.

After the surcharge was charged i.e. 1943-44. Accounting period.

(a).

(1). -Nil -

(2). -Nil -

(3). Rs.1356/-

(4). 147510 x (3.249 — 1.94).

147510 x 1.309 = 193090.59.

(5). 112.9 (132.6- 125.2).

112.9 x 7.4 = 835.46.

(6). - nil -

(b). Item (1). - nil -

" (2). -Nil -

(3) 167301 x (2.775- 1.94)

16730 1 x .835 = 139696.335.

(4). 122.4 x (137.9 - 125. 2)

122.4 x 12.7 = 1554.48.

	Year 1939.-40.	Year 1942-43.	Year. 1943-44
No. of Tons consumed ...	175.4.	122.4	112. 8.
Cost per Ton	Rs. 125.2.	Rs. 137.9.	Rs.132.6.

First schedule column 2.

(a). - Nil -

(b). - nil -

Bijapur.
14-7-1944.

Managing Agents.
The Bijapur Electric Supply Co. Ltd.

Table showing the relevent items of expenses, incurred during the years for the calculation of War-Cost Surchaage.

		Year 1939-40.	Year 1942-43.	Year 1943-44.
		Rs.	Rs.	Rs.
(1).	Fuel Oil	13643- 6- 9.	14282-11- 3	14974- 0- 0
(2).	Water & Oil waste etc.,	268- 8- 0.	198-10- 0	141-13- 0
(3).	Wages & Salaries excluding Management.	5061- 9- 3.	7589- 1- 9.	8324- 2- 0.
(4).	Repairs & Maintenance .	2201- 2- 6	6700- 10- 1.	8740- 9- 0
(5).	Rates & Taxes.	215- 0- 6	240-11- 0.	245- 3- 0
	Total :-	21389-11- 0	29011-12- 1.	32425-11- 0
(6).	Units generated :-	176387.	167301.	147510.
(7).	Cost in Annas per unit generated .-	1.94.	2.775.	3.429.

Bijapur.
14-7-1943.

Managing Agents.
The Bijapur Electric Supply Co. Ltd.

13 pc -

Below letter No.G.175 dated the the 14th July 1944, from the Bijapur Electric Supply Co.Ltd., Bijapur.

No. LRM.31/ 2054 of 1944.

Bombay, 3 2nd August 1944.

Passed on, with compliments, to the Secretary to Government, Public Works Department, Bombay.

2. The rate of War Costs Surcharge at 33-1/3% as declared by the Licensees may be sanctioned in the first instance. The rate will be reviewed in due course, in consultation with the Examiner, Outside Audit, Bombay.

3. The Supply Company has been requested to submit the detailed calculations as required by the First Schedule to the Order, and as soon as they are received, they will be scrutinised and passed on to Government.

Electrical Engineer to Govt.

P.

7024/36
21364

El. Br.

P.W.D

Submitted

In accordance with the decision taken on the Karad case this case will be included in the consolidated orders fixing the rate of war cost surcharge at 33 1/3% as declared by the licensee & recommended by the El. Engr to Govt. After issue of the orders in question the papers will be returned to the El Engr to Govt for the revision of the rate in consultation with the Examiner, cotton contracts.

831
8/8/44

El B. 3/8

PUBLIC WORKS DEPARTMENT
File No. 7024/36
3. AUG. 1944
Serial No. 21364

Registered No. B-1

The Bombay Government Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

WEDNESDAY, 9TH AUGUST 1944.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV-A.

Rules and Orders (other than those published in Parts I and I-A) made by the Government of Bombay under the Acts of Parliament and the Central Acts.

PUBLIC WORKS DEPARTMENT.

Bombay Castle, 9th August 1944.

Order.

No. 6831/36.—In pursuance of clause 4 (1) of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944, and subject to the provisos to that clause and the provisions of clause 6 of the said Order Government is pleased to fix, with effect from the date of this Order, the rate of War Costs Surcharge in respect of the undertakings of the licensees and the sanction holder mentioned in column 1 of the annexed schedule at the percentum shown against each of them in column 2 of the said schedule.

2. The existing surcharges applied by the said licensees and the sanction holder under the provisions of the orders issued in Government Notification, Public Works Department, No. 6041/36, dated the 11th March 1943, are withdrawn with effect from the date of this Order and it shall not be lawful for the said licensees and the sanction holder to supply energy at other than charges surcharged at the rate fixed in their respective cases in this Order except as provided in clause 5 of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944.

Schedule.

	Column 1. Name of the Licensees and the Sanction holder.	*Column 2.* Rate of War Costs Surcharge per centum.
1.	Messrs. The Surat Electricity Company, Limited	11
2.	Messrs. The Broach Electric Supply and Development Corporation, Ltd.	25
3.	Messrs. The Nasik-Deolali Electric Supply Company, Limited	18⅔
4.	Messrs. The Amalgamated Electricity Company (Belgaum), Ltd., Belgaum Branch.	33 1/3
5.	Messrs. The Amalgamated Electricity Company (Belgaum), Limited, Bulsar Branch.	33 1/3
6.	Messrs. The Dohad Electricity Company, Limited, Dohad Electric License.	33 1/3
7.	Messrs. The Malegaon Electricity Company, Limited	33 1/3
8.	Messrs. The Dhulia Electric Supply Company, Limited	33 1/3
9.	Messrs. The Jalgaon Electric Supply Company, Limited	33 1/3
10.	Messrs. The Manmad Electric Supply Company, Limited	33 1/3
11.	Messrs. The Yeola Electric Supply Company, Limited	33 1/3
12.	Messrs. The Nadiad Electric Supply Company, Limited	33 1/3
13.	Messrs. The General Engineering Corporation, Limited, Licensee, Barsi Electric License.	33 1/3

	Column 1. Name of the Licensees and the Sanction holder.	*Column 2.* Rate of War Costs Surcharge per centum.
14.	Messrs. The Anand Electric Supply Company, Limited	33 1/3
15.	Messrs. The Matheran Electric Supply Company, Limited	33 1/3
16.	Messrs. The Chalisgaon Electricity Company, Limited	33 1/3
17.	Messrs The Dharwar Electric Supply Company, Limited	33 1/3
18.	Messrs. The Rander Electric Supply Company, Limited	33 1/3
19.	Messrs. Oka Brothers & Thopate Company, Licensee, Mahad Electric License.	33 1/3
20.	Messrs. The Sanand Electric Supply Company, Limited	33 1/3
21.	Mr. Dinshaw Sorabji Tamania, Licensee : Udwada Wapi Electric License .	33 1/3
22.	Messrs. The Wai Electric Light and Power Supply Corporation, Limited ...	33 1/3
23.	Messrs. The Panchgani Electric Supply Company, Limited, Licensee, Panchgani Electric License.	33 1/3
24.	Messrs. The Panchgani Electric Supply Company, Limited, Licensee: Mahableshwar Electric License.	33 1/3
25.	Messrs. The Baseln Electric Supply Company, Limited	33 1/3
26.	Messrs. Bhat Deshpande and Company, Sanction Holder, Sinnar Electric Supply.	33 1/3
27.	Messrs. The Savda-Faizpur Electric Supply Company, Limited... ...	33 1/3
28.	Messrs. The Viramgam Electric Supply Company, Limited	33 1/3
29.	Messrs. The Nipani Electricity Company, Limited	33 1/3
30.	Messrs. The Amalner Electric Supply Campany, Limited	30
31.	Messrs. The Nandurbar Electric Supply Company, Limited	33 1/3
32.	Messrs. The Karad Electric Supply Company, Limited	33 1/3
33.	Messrs. The Bijapur Electric Supply Company, Limited	33 1/3
34.	Mr. S. A. Manvi, Licensee, Gadag-Betigeri Electric License	33 1/3
35.	Messrs. The Ahmednagar Electric Supply Company, Limited	33 1/3
36.	Messrs. The Sangamner Electric Supply Company, Limited	33 1/3
37.	Mr. K. V. Sane, Licensee, Athani Electric License	33 1/3
38.	Mr. K. V. Sane, Licensee, Palghar-Navli Electric License	33 1/3
39.	Mr. G. P. Uplap, Licensee, Pandharpur Electric License	33 1/3

By order of the Governor of Bombay,
R. H. HAMMETT, Secy.

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.

17

No.6081/36-W1. Public Works Department,
Bombay Castle, 9th August 1944.

From

The Deputy Secretary to the Government of Bombay,
Public Works Department.

To

Messrs.The Surat Electricity Company, Limited.
Messrs The Broach Electric Supply & Development Corporation, Limited.
Messrs.The Nasik-Deolali Electric Supply Company,Ltd.
Messrs.The Amalgamated Electricity Company (Belgaum), Limited, Belgaum Branch.
Messrs.The Amalgamated Electricity Company (Belgaum), Limited, Sulsar Branch.
Messrs.The Dohad Electricity Company, Limited.
Messrs.The Malegaon Electricity Company, Limited.
Messrs The Dhulia Electric Supply Company, Limited.
Messrs.The Jalgaon Electric Supply Company, Limited.
Messrs The Manmad Electric Supply Company, Limited.
Messrs.The Yeola Electric Supply Company, Limited.
Messrs.The Nadiad Electric Supply Company, Limited.
Messrs.The General Engineering Corporation, Limited, Licensee, Barsi Electric License.
Messrs.The Anand Electric Supply Company, Limited.
Messrs.The Matheran Electric Supply Company, Limited.
Messrs.The Chalisgaon Electricity Company, Limited.
Messrs.The Dharwar Electric Supply Company, Limited.
Messrs.The Rander Electric Supply Company, Limited.
Messrs.Oka Brothers & Thopte Company, Licensee, Mahad Electric License.
Messrs.The Sanand Electric Supply Company, Limited.
Mr.Dinshaw Soratji Damania, Licensee, Udwada Vapi Electric License.
Messrs.The Wai Electric Light and Power Supply Corporation, Limited.
Messrs.The Panchagani Electric Supply Company,Limited, Licensee, Panchgani Electric License.
Messrs.The Panchagani Electric Supply Company, Limited, Licensee, Mahableshwar Electric License.
Messrs.The Bassein Electric Supply Company, Limited.
Messrs.Bhat Deshpande & Company, Sanction Holder, Sinnar Electric Supply.
Messrs.The Savda-Faizpur Electric Supply Company, Ltd.
Messrs.The Viramgam Electric Supply Company, Limited.
Messrs.The Nipani Electricity Company, Limited.
Messrs.The Amalner Electric Supply Company, Limited.
Messrs.The Nadurbar Electric Supply Company, Limited.
Messrs.The Karad Electric Supply Company, Limited
Messrs.The Bijapur Electric Supply Company, Limited.
Mr.S.A.Manvi, Licensee, Gadag-Betigeri Electric License.
Messrs.The Ahmednagar Electric Supply Company, Limited.
Messrs.The Sangamner Electric Supply Company, Limited.
Mr.K.V.Sane, Licensee, Athani Electric License.
Mr.K.V.Sane, Licensee, Palghar-Navli Electric License.
Mr.G.P.Uplap, Licensee, Pandharpur Electric License.

Subject:- WAR COSTS SURCHARGE.

Dear Sir/Sirs,

kf.15-16

The enclosed copy of Government Order No.....

No.6331/36, dated the 9th August 1944 fixing the War Costs Surcharge in the case of your undertaking is forwarded for your information and guidance.

Yours faithfully,

G.N.PANDIT,
Deputy Secretary to the Government of Bombay,
Public Works Department.

D.A.-Copy of Government Order referred to.

VR.9/8/44.

Copy, with a copy of the Government Order referred to, for information to ----

the Finance Department,
the General Department
the Commissioners of Division ,
the Collector of Ahmedabad,
the Collector of Ahmednagar,
the Collector of Belgaum,
the Collector of Bijapur,
the Collector of Broach and Panch Mahals,
the Collector of Dharwar,
the Collector of East Khandesh,
the Collector of Kaira,
the Collector of Kolaba,
the Collector of Nasik,
the Collector of Satara,
the Collector of Sholapur,
the Collector of Surat,
the Collector of Thana,
the Collector of West Khandesh,
the Electrical Engineer to Government,
the Director of Information (with a request to issue a press note),
the Accountant General, Bombay.

2. This has reference to Government Endorsement Public Works Department, No.6331/36, dated the 16th June 1944.

VR.9/8/44.

OFFICE OF THE ACCOUNTANT GENERAL, BOMBAY.

Returned with compliments.

2. The detailed calculations as required by the first schedule to the order, which have been called for from the company, when received, may be passed on to this office, for scrutiny and comments.

x will be put up if reqd.

Examiner, O.A.

U.O.R. to Govt. in P.W.D.

No.O.A./ 2163
Bombay,

7024/36
33875

El. Br.

b. 14

Subtd. w.r.t. the o.n. of 8.8.44.

Orders have since been issued fixing a 33⅓% rate in the case of the Bijapur El. Supply Coy. — vide item 33 of the Schedule to G.O. No. 6331/36, d. 9.8.44. — pp. 15-16

The pps. may now be refd. up to the El. Engr. to Govt. w.r.t. para. 3 of his note at p. 13 ante and he may be requested to transmit (along with these pps.) the detailed calculations (wh. have been called for from the Supply Coy.) as soon as they are recd., to the Examiner, O.A.

(13.1)

MA
11-12-44

12/12/44 S.A.S.

Memo no 13/12

G.O. to El. Engr to Govt, 8/14-12-44.

El/Br 7/12 El. Br. 7/12

PUBLIC W... Dept.
File No. 7024/36
6 DEC. 1944
Serial No. 33875

E I B 110159
19 JAN 1945
File No. 16-12 Pt 1

Revised accounts of the War Cost Surcharge.

Estimated year 1944-45.

I. 4 (A)

Add. (1) ----- Nil -----

(2) ------- Nil ------

(3)	Dearnes allowance	Rs.	345/-
(4)	Increase in M/C	"	9293/-
(5)	Increase in Fuel	"	3850/-
(6)	.....Nil		
(7)	Reduction in revenue.	"	9569/-
	Total items 1 to 7		23057/-

II. Deduct

(8)

(a)	Increase on rates	"	7085/-
(b)	Opperation of surcharge.	"	489/-
		"	7574/-

III.

Net amount of War Cost.

I - II " 15483/-

(B) Period prior to (A) above

I. Add.

(1)	------ Nil ------		
(2)	------ Nil ------		
(3)	.....	"	1356/-
(4)	.....	"	11298/-
(5)	.....	"	5152/-
(6)	Nil		
(7)	.....	"	11472/-
	Total 1 to 7		29278/-

II. Deduct.

(a)	.....	"	10904/-
(b)	.....	"	2821/-
			13725/-

III.

I - II. " 15553/-

Total amount of War Cost III A plus III B " 31036/-

Overall charges of the Licensee for the supply of energy before ~~reduction~~ deducting prompt payment. " 50000/-

Percentage of surcharge " 33 1/3 %

Gross revenue of the undertaking for the period 1944-45. " 60000/-

MANAGER.
THE BIJAPUR ELECTRIC SUPPLY CO. LTD.
BIJAPUR.

Calculations.

4 (A)

(4) Estimated units generated 148690

Cost of M/C materials. Rs.10978/-

Cost in As.per unit generated. $\frac{10978 \times 16}{148690}$ = 1.16

Cost in As.per unit generated in 1938-39. $\frac{1685 \times 16}{176387}$ = .153.

Difference in cost of unit - 1.16 - .153 - 1.007

Increase in cost 148690 X 1.007 - Rs.9293/-

5. Tons of oil consumed in 44-45. 110 tons

Rate per ton Rs.143/-

Rate per ton in 1938-39. " 108/-

Difference in rates 143 - 108 - 35.

Increase in cost of fuel - 110 x 35 - Rs.3850/-

7. Number of units generated in 38-39. - 176387

-do- -do- 44-45 - 148690

Fall in units. 176387 - 148690 - 27697.

Reduction in revenue is equal to

fall in units x estimated cost of unit generated.

27697 x 5.6 - Rs.9569/-

II. 8.

(a) Rate in 1938-39 for lights and fans As.6/- per unit

Rate in 1944-45 - do- As.8/- do

Increase in rate As.2/- per unit.

Increase in revenue is equal to units consumed for lights and fans x As.2/- equal to

56684 x As2/- - Rs.7085/-

MANAGER,
THE BIJAPUR ELECTRIC SUPPLY CO., LTD.
BIJAPUR.

Calculations.

Period prior to A.

4 B.

4. Number of units generated in 1943-44. 147510.
Cost of M/C matetials Rs.7862/-
Cost in Annas per unit. $\frac{7862 \times 16}{147510}$ - .92

Cost per unit generated im 1938-39 .153
Difference in ~~unit~~ cost. .92-.153 -- (.667)

Increase in cost - 147510 x .667 - Rs.6177/-

Similar calculation for 1942-43.
Cost in As. per unit $\frac{6806 \times 16}{167301}$ - .647
Difference in cost .647 - .153 - .494
Increase in cost 167301 x .494 - " 5121/-
Total 6177 plus 5121 - " 11298/-

5. Tons consumed in 1943-44. 113 tn

Rate per ton in 1943-44 132/-

Rate per ton in 1938-39 Rs.108/-

Difference in rates 132 - 108 - 24/-

Increase in cost of fuel 113 x 24 - " 2712/-

Similar calculations for 1942-43.
Tons of oil consumed 122
Rate per ton. 128/-
Difference in rates. 128- 108 - 20/-
Increase in cost of fuel 122 x 20 - 2440
Total 2712 plus 2440 5152/-

7. Number of units generated in 1943-44. 147510
do -do- 1938-39. 176387
Fall in units 176387 - 147510 - 28877.
Reduction in revenue -
Fall in units x cost in As. generated per unit.
28877 x 4.9 - Rs.9031/-

Calculation for 42-43

Number of units generated 167301
-do- do 38-39 176387

Fall in units 176387 - 167301 - 9086

Reduction in Revenue. 9086 x 4.3 (cost per unit)- 2441/-
Total Rs.9031 plus 2441 - 11472/-

8. (a) Rate in 1938-39 for lights and fans As.6/- per unit.
Rate in 1943-44 do As.8/- per do unit.

Increase in rate As2/- per unit.
Increase in revenue -
Units consumed for lights and fans x increase in rate
57392 x As.2/- - Rs7174/-
Similar calculations for 42-43.
Increase in rate equla to As2/- per unit.
Increase in revenue - 29842 x As.2/- - " 3730/-
Total 7174 plus 3730 - " 10904

MANAGER,
THE BIJAPUR ELECTRIC SUPPLY CO. LTD.
BIJAPUR.

Below U.O.R.No.7024/36/33875 dated the 14th December 1944 from Government, Public Works Department, Bombay.

No.LRM.31/4282/45.

Bombay, 19th Jan. 1945.

Passed on with compliments to the Examiner, Outside Audit, Bombay.

2. The detailed calculations submitted by the Company in accordance with the firs schedule to the order are enclosed for scrutiny and remarks. It may please be stated if the present rate of surcharge viz. 33 1/3% requires any revision.

Electrical Engineer to Govt.

CALCULATION OF THE RATE OF WAR COSTS SURCHARGE.

*****

	Rs.	Figures given by the Company. Rs.
(A) Estimated increase in costs for 1944-45.		
(i) Dearness allowance.	345.	345.
(ii) Maintenance Materials Costs.	9,293.	9,293.
(iii) Fuel costs.	3,850.	3,850.
(iv) Reduction in revenue.	1,000(a)	9,569.
	14,488.	23,057.
Less Amount recovered by way of increased rates.	7,863(b)	7,085. 489.
Net recoverable.	6,625.	15,483.
(B) Increase in costs for 1942-43 & 1943-44.		
(i) Dearness allowance.	1,356.	1,356.
(ii) Maintenance Materials Cost.	11,298.	11,298.
(iii) Fuel cost.	5,152.	5,152.
(iv) Reduction in revenue.	1,000(c)	11,472.
	18,806.	29,278.
Less Amount recovered by way of increase in rates.	12,850(d)	13,725.
Net recoverable.	5,956.	15,553.
Amount recoverable by way of surcharge (A+B)	12,581.	31,036.

Percentage of surcharge. = 22.5 = 25%.

Gross revenue for 1943-44 - 51,448.

(a) Units sold 38.39 1,45,166
" " 44.45 1,23,744 - Actual for 1943-44.
Less sold 21,422.

Price per unit realised in 43-44 - 6.3 annas.
Estimated cost per unit in 44-45 - 5.6 "
Loss of income per unit. .7 "

Therefore loss of revenue $\frac{21,422 \times .7}{16}$ = Rs. 937 = Rs. 1,000

(b) Increase in rate per unit.

(i) 0-2-0 Light & Fans - No of units sold 57,392.
(ii) 0-0-6 Public lamps. - " " " 22,050.

Amount recovered Rs. (i) $\frac{57,392 \times 2}{16}$ + (ii) $\frac{22,050 \times 1}{16 \times 2}$

= 7,174 + 689 = 7,863.

(c) Reduction for 43-44 same as at (a) i.e. Rs.937.
" " 42-43:-

Units sold in 38-39 1,45,166.
" " 42-43 1,44,880.
0,00,286.

Less: Cost per unit 3.29 annas
Price realised 5.13 "

Therefore reduction in revenue = $\frac{286 \times 1.84}{16}$ = Rs.34.

Therefore total reduction for 42-43 & 43-44 = Rs.937 + Rs.34
say about Rs.1,000.

(d) Amount recovered by increase in rates.

(i) For 1943-44 same as in (b) i.e. Rs.7,863.

(ii) " 1942-43

No.of units sold for lights & fans - 59,672.
" " " public lamps - 40,600.

Therefore increase = $\frac{59,672 \times 2}{16} \times \overset{*}{\frac{7}{12}} + \frac{40,600 \times 1}{16 \times 2} \times \overset{@}{\frac{1}{2}}$

= Rs.4,351 + Rs.635 = Rs.4,986.

Therefore (i) (ii) = Rs.7,863 + Rs.4,986.

= Rs.12,849 = Rs.12,850.

* The increase was operative for 7 months.

@ Increase was operative for 6 months.

I.B. The surcharge of 25% would be adequate to meet the increased costs under (A) & (B) in one year from the date of effect. Beyond a period of one year even 25% may not be necessary as the costs for previous years, viz.,Rs.5,956, worked out under (B) do not form a recurring element. It is therefore recommended that the 33 1/3% surcharge may be revised.

*****

OFFICE OF THE ACCOUNTANT GENERAL, BOMBAY.

Returned with compliments.

2. Reduction in revenue due to restrictions.

Under clause 8 of the B.E.S.(L.U.W.C.) Order, 1944, the Undertaking is entitled to claim only the net reduction in income on account of units less sold after taking into account the consequent savings in operating and other costs, but the Undertaking has claimed instead, the total estimated cost of generation for the number of units less generated.

3. Amount to be deducted on account of the operation of increased charges.

The rates for (i) lighting and fans, and (ii) for public lamps were increased from annas 6 and annas 4 per unit to annas 8 and annas 4-6-0 per unit with effect from 1-9-1942 and 1-10-1942 respectively. The Undertaking has omitted to deduct the amount recovered due to the increase in the rates for public lamps, from the total amount of costs recoverable by way of the surcharge.

4. A calculation under the B.E.S.(L.U.W.C.) Order, 1944 indicates that 25% surcharge would be adequate for the future (vide calculation appended).

R. Sivaramakrishnan
Examiner, C.A.

U.C.R. to Govt. in P.W.D.

No.O.A./33
Bombay, 5 APR 1940

7.IV.65

7024/36 ' 34

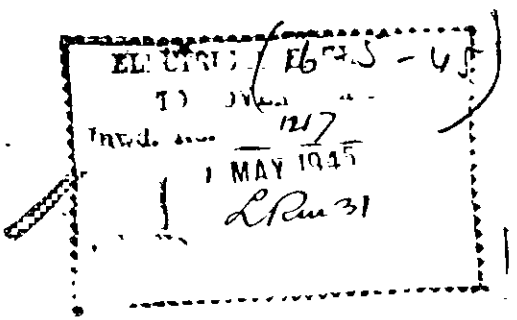
El. Br.

Subbd. w.r.t. the ϕ.20 O.R. dated 11.12.44.

2. The El. Engr. to Govt. may in the first instance be requested n.o. to offer his remarks.

B.4.45

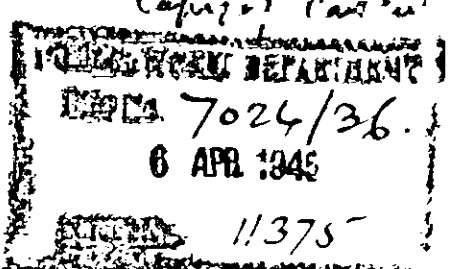
CE 14.IV.45



Issued 16/4 D.S.

U.O.R. to the El. Engr. to Govt. dated the 16-4-45.

EL Br 16/4.



Copy to Govt. Cant'mt

for A

EIB

6-11-45

Below U.O.R.No.7024/36/11375 dated the 16th April 1945, from Government in the Public Works Department.

No. 583 of 1945.

Bombay, 1st May 1945.

Returned, with compliments.

2. In accordance with para.4 of the Examiner, Outside Audit's remarks and his N.B.on the calculation sheet, it would appear that the present surcharge which has been granted at 33-1/3% should be reduced to 25%.

3. The Company may be informed in terms of para.2 and the latter portion of para.3 of the Examiner, Outside Audit's remarks.

Electrical Engineer to Govt.

P.

El. Br. (1)

Subtd. w.r.t. the o.n. dated the 13.4.45. ante p. 34

2. On its applcn. for a war costs surcharge under cl. 3 of the 13'bay Ely. Supply (L.U.W.C.) Order, 1944, a tentative 33⅓% rate of w.c.s. was fixed in respect of the Bijapur El. Supply Co. and the bfps. were then refd. u.o. to the Examiner, O.A. for verification of the calculations furnished by the Co. The EOA has offered his remarks in the matter at p. 33 ante and recommends that the rate may be revised from ≅ 33⅓% to 25% in accordance with his calcns. The difference between the EOA's and the Coy's calcn. of the rate of w.c.s. is mainly due to the huge amount wh. the Co. has claimed on account of reduction in revenue. The EOA does not seem to have taken into account the amt. recovered by the Co. by way of surcharge levied under the old order No. 6041/36, d. 11.3.43

x will be / 3 cp.

pp. 29-31

1/5

El B (1) 1/5

7024/36
1. MAY 1945
14461.

3 Pl. see the El. Engr. to Govt.'s remarks at p. 35 ante. It is for orders whether, as has been done in a similar case, x extract paras. 2, 3 + 4 of the EOA's note and his calcns. leading to the 25% rate may first be forwarded to the Co. for its remarks, the Co. being allowed a time limit of 15 days to submit its views. If so, the draft put up at p. 38 for approval may issue.

x Pandegaon 7019/36.

4 The question reg. the execution of the undertaking refd. to in cl. 3(1)d of the B.E.S. (L.V.W.C.) Order, 1944, will be dealt with later.

ADA
25/5/45

D.S.
Secy. (I)

26/5/45

7024/36 : 27

Letter.

Urgent.

No. 7024/36-El.(1) P.W.D.
B.C., 28th May 45.

To
M/s. The Bijapur El. Supply Co., Ltd.,
Bijapur.

Subj: War Costs Surcharge.

Dear Sirs,

I am directed to forward herewith extract paras. 2, 3 & 4 from the audit note on the revised calculations in connexion with the above wh. you had subtd. to the El. Engr. to Govt. and to state that as recommended by audit Govt. proposes to revise the rate of w.c.s. fixed in your case from 33 1/3 % to 25 %. I am to request that any remarks wh. you may have to offer in the matter may pl. be forwarded to Govt. within 15 days from the date of this letter.

The calculations leading to the 25 % rate, wh. have been refd. to in para. 4 of the audit note, are also enclosed herewith.

Yours obly.,

DA - Extract paras. & calcns. refd. to

ADA
25/5/45

25.V.45

29/5/45

26/5/46.

7024/36

Urgent.

NO. 7024/36-El.(1).

P. W. D.

B.C., 15th June 1945.

To

M/S. The Bijapur El. Supply Co. Ltd.,
Bijapur.

Sub:- War Costs Surcharge.

Dear Sirs,

I am directed to invite your p.28 attention to the G.L. NO. 7024/36-El.(1), d. the 28-5-45, and request the favour of an immediate reply thereto.

Yours ffly.,

13/6/45.

DA-Nil.

ISSUED
13-6-45.

The Bijapur Electric Supply Co. Ltd; Bijapur.

Abdulkayum & Sons,
Managing Agents

No. G-166 *of* 1945-46.

BIJAPUR 18th June *1945.*
M.S.M.Ry.

To,

The Assistant Secretary to the Government of Bombay,
Public Works Department.

Subject:- War Costs Surcharge.

Sir,

P-39

With reference to your letter No.7024/36-El.(1), dated the 15th inst., we have to state that the Manager of our Company is not in the town. He is expected to return in a couple of days. We will comply with your letter by the end of this week.

The delay may please be excused.

Yours faithfully,

Electrical Engineer.

The Bijapur Electric Supply Co., Ltd.-
Bijapur.

1024/30/17717. 42

E. Rd.

Await a reply from the Co.

till 25-6-45.

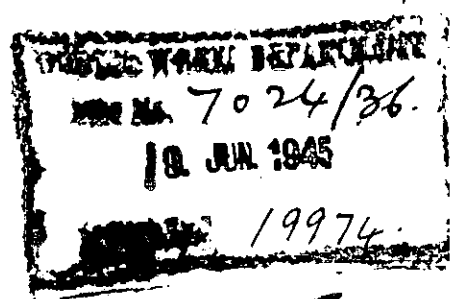
NBS.
20-6-45.

all 20/6/45

(25-6-45)

20/6

NBS 18/6.



41/12

21 6 45

The Bijapur Electric Supply Co. Ltd; Bijapur.

Abdulkayum & Sons,
Managing Agents.

No. G-170 of 1945-46.

BIJAPUR 26th June 1945.
M. S. M. Ry.

To,

The Secretary to Government

Public Works Department. Bombay.

Subject:- War Costs Surcharge.

Sir,

In continuation of our letter No.G-166 of 18-6-1945 addressed to the Assistant Secretary to the Government of Bombay, P. W. D. and with reference to your letter No. 7024/36-EL.(I), of 28th May 1945, we have to state that we have no remarks to make in connection with the revision of the War-Costs Surcharge as mentioned in your letter under reference.

We remain,

Yours faithfully,

Kayum

MANAGER.
THE BIJAPUR ELECTRIC SUPPLY CO. LTD
BIJAPUR.

7024/36/20746. 44

El.Br.(1).

Submitted with ref. to the
to 38'
G.L. No. 7024/36-El.(1), d. the 28-5-45,
p. 36-37
and the O.N. underlying it.

2. The draft p 45 Order put up may issue, if approved, after revn. to the R.L.A.

-What about a Press Note?

ABS.
26-6-45.

CU 26.VI.45

El.Br.(1).

Resubmitted. El Br 26/6.

2. It does not seem necy. to issue P.N. a Press Note as the question of reduction in surcharge affects one concern only. The manager, G.C. Press, will however be requested to publish the Order in the Bhag Govt. Gazette after the R.L.A. has scrutinized it from the legal point of view. The papers may now be reyd. rcd. to R.L.A. if approved.

ABS/27-6-45

CU 27.VI.45

I still think a Press Note is necessary in view of the Bhag G.G. is not read by the Public at all

El Br

Dr. B

D.S. 15.7.45

7024/36
25 JUN 1945
20746.

45

ORDER.

Public Works Department,
Bombay Castle, June 1945.

No.7024/36- In exercise of the powers conferred by the first proviso to sub-clause (1) of clause 4 of the Bombay Electricity Supply(Licensed Undertakings' War Costs) Order, 1944, the Govt. of Bombay is pleased to revise, with effect from the date of this Order, the rate of War Cost Surcharge in respect of the undertaking of Messrs. The Bijapur Electric Supply Co.,Ltd., from 33⅓ per centum (fixed in G.O., issued in G.N.,P.W.D., No.6331/36, d/ the 9-8-1944) to twentyfive per centum.

By order of the Govt. of B'bay,

Secy. to Govt.

VMW.
26/6.

46

No.7024/36 - Elco.

P. W. D.

B. C., 28th ~~15th June~~ July 1945.

To

M/S. The Bijapur Electric Supply Co.,Ltd.,
Bijapur.

Dear Sirs,

45

The enclosed copy of Govt.Order No.7024/36, d/ the 26-7-1945, revising the rate of War Cost Surcharge in the case of your undertaking from 33⅓ % to 25 % is forwarded for your information and guidance.

Yours faithfully,

D.A.- Copy of Govt.Order refd.to.

Copy, with a copy of the Govt.Order refd. to, forwarded for information to -

the F. D.,
the G.D.,
the Commr., S.D.,
the Collector of Bijapur,
the El.Engr. to Govt.,
the Dir. of Information (with a request to issue a press note),
the A.G., Bombay.

2. This has ref. to Govt.Endt., P.W.D., No.6331/36, d/ the 9-8-44.

Issued 28/7/45

VMW.
28/6.

483.
28-6-45.

28/7/45

S.

7024/36
20746

El.Br6(1).

5476
30/6/45
B.

Submitted with ref. to Dy.Secy's note, d/ the 27-6-45. 544

2. A draft letter to the Co., forwarding the Govt.Order in question, is put up for approval. Copies of the letter are endorsed to those concerned, including the Dir.of Information, who is asked to issue a Press Note as has been done in the past in similar cases. 546 545

3. The papers may now be refd. uo. to the R.L.A. as suggested in the O.N., d/ the 26-6-45, if approved.

ABJ
28-6-45.

VMW.
28/6.

U.O.R. to the R.L.A. dated the 29-6-45. 28 VI 45

O R D E R:

Public Works Department,
Bombay Castle, 26th July 1945.

ombay Electricity
upply (Licensed
ndertakings'
ar Costs) Order,
944.

x At the commencement

No. 7024/36:-

Whereas in pursuance of clause 4(1) of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944, the Government of Bombay was pleased to fix under Government Order in the Public Works Department No.6331/36, dated the 9th August 1944, the rate of War Costs Surcharge in respect of the undertaking of Messrs. The Bijapur Electric Supply Company, Limited, at $33\frac{1}{3}$ per centum;

And whereas after passing the said Order, the Government of Bombay caused an inquiry to be made into the propriety of the calculations of Messrs. The Bijapur Electric Supply Company, Limited, by which the said rate has been computed;

And whereas in the opinion of the Government of Bombay the said calculations are improper;

Now, therefore, in pursuance of the first proviso to the said clause 4(1) of the said Order, the Government of Bombay is pleased to revise the said rate and with effect from the date of this Order to fix it at 25 per centum.

By order of the Governor of Bombay

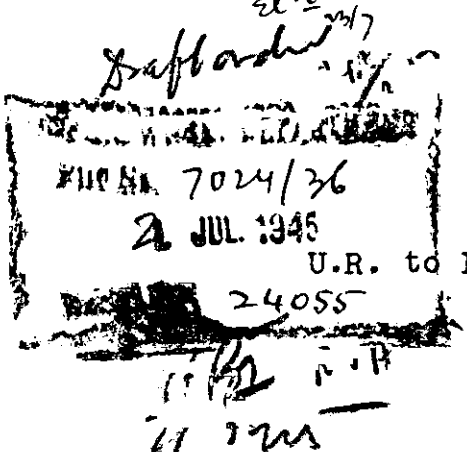
R. H. Hammett,

Secretary to Government.

Office of the R.L.A.

p.51

A revised draft Order is sent herewith.



Remembrancer of Legal Affairs.

U.R. to P.W.D., No. 5399
dated the 21st July 1945.

70m136
M055

El. Br. (1) b.47

Subftd. w.r.t. the O.N. dated the 28.6.45.

2. The revised draft order may issue now. The draft on p. 46 ante will be issued as soon as copies of the order are available from the G.C.Press. GH

23.7.45 The circumstances in which it was proposed to reduce the surcharge from 33⅓% to 25% are explained on p. 36-37 ante. Are we to agree to such changes? This may be noted on after issue of order. fe 25/7/45 GH 23 VII 45 A(R)

7024/36

Send out this note. Suggest such changes as possible may occur in the case of each company and as probable may occur in the case of every fresh company

25/7/45

26 VII 45

El. Br. (1)

The draft overpage may issue first. The ffps. will be resubtd. afterwards with the required note

26.7.45

26/7/45

7024/36

Immediate.

No. 7024/36-El.(1).

F.W.D.,
B.C., 26th July 45.

To

The Manager, G.C. Press, Bombay.

Subject:- Publication of G.O.

The accompanying G.O. No. 7024/36, d. the 26-7-45, shd. be published in an Extraordinary Gazette, Part IV-A, tomorrow, without fail, and 215 copies ~~thereof to be~~ forwarded to this office ~~on~~ the same day.

By Order etc.,

DA - G.O.

26/7/45

26.7.45

Registered No. B-1

The Bombay Government Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

FRIDAY, 27TH JULY 1945.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV-A.

Rules and Orders (other than those published in Parts I and I-A) made by the Government of Bombay under the Acts of Parliament and the Central Acts.

PUBLIC WORKS DEPARTMENT.

Bombay Castle, 26th July 1945.

Order.

BOMBAY ELECTRICITY SUPPLY (LICENSED UNDERTAKINGS' WAR COSTS) ORDER, 1944.

No. 7024/36.—Whereas in pursuance of clause 4 (1) of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944, the Government of Bombay was pleased to fix under Government Order in the Public Works Department, No. 6331/36, dated the 9th August 1944, the rate of War Costs Surcharge in respect of the undertaking of Messrs. The Bijapur Electric Supply Company, Limited, at 33⅓ per centum ;

And whereas after passing the said Order, the Government of Bombay caused an inquiry to be made into the propriety of the calculations of Messrs. The Bijapur Electric Supply Company, Limited, by which the said rate has been computed ;

And whereas in the opinion of the Government of Bombay the said calculations are improper ;

Now, therefore, in pursuance of the first proviso to the said clause 4 (1) of the said Order, the Government of Bombay is pleased to revise the said rate and with effect from the date of this Order to fix it at 25 per centum.

By order of the Governor of Bombay,
R. H. HAMMETT, Secy.

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS

El.Br.(I). 7024/36
P.W.D.

p. 54

Resubmitted with ref. to the A(R)'s note dated the 25-7-45 and the note of the Secy.(I) following it.

2. The position is that under the provisions of clause 4(1) of the Bombay Ely.Supply(Licensed Undertakings' War Costs) Order, 1944, Govt. was reqd. to fix the rate of war costs surcharge in the case of a licensee at the rate declared by him or at the following percentagrum, whichever was less, namely:-

(a) 33⅓ per cent. in the case of undertakings where diesel oil is used for the generation of el. energy;

and

(b) 10 per cent. in the case of undertakings where steam is used for the generation of el.energy

In the case of (b), the maximum was subsequently raised from 10 to 15 and then to 20 per cent.

3. After examination of the data furnished by the licensees in the Office of the El.Engr. to Govt. and the Sectt., orders were issued fixing the rate of war costs surcharge in each case in accordance with the provision refd. to in the preceding para. and each case was then refd. to the Examiner, Outside Audit for detailed examn. of the data furnished by the licensee with a view to see whether any revision of the rate already fixed was necy. This action was taken under the first proviso to clause 4(1) of the B.E.S.(L.U.W.C.) Order, 1944.

the rates already fixed need no revision. The

4. As a result of the detailed exam. by the Examiner, Outside Audit it has been found that (except in the 5 cases noted* in the margin, which are still under exam.) Bijapur Co. is so far the only Ely.Co. where the originally granted rate has had to be reduced.

* Ahmednagar.
Amalner.
Nandurbar.
Karad.
Panchgani.

p. 55

5. With reference to the presumption made by the Secy.(I) that such changes are possible only once in the case of each Co., attention is invited to clauses 3(1)d and 6 of the War Costs Order. It seems from the form of the undertaking set out in the second schedule to the Order that the war costs surcharge fixed in the case of a Co. may hav to be revised if the Co. is assessed to Excess Profits Tax or earns more than 7% profit. The Examiner, O.A. audits the accounts of the Coys. and will presumably bring to the notice of Govt. cases where reduction in the rate of surcharge fixed, is possible.

A

6. Before the case is submitted to Secy.(I) and A(R), the Examiner, O.A. may be requested u.o. to state if the view expressed at 'A' above is correct. He may also be requested to offer his remarks w.r.t. the execution of the undertaking by the Bijapur Ely.C

VPA.
28/8--.

28/8/45

28 VIII 45

29/8

U.O. to the Examiner, O.A. dt 29-8-45

7024/36. A.G's Office, B'bay.

Returned with compliments.

2. The view expressed in para 5 of the note dated 28-8-1945 that War costs surcharge fixed in the case of a Co. may have to be revised if the Co. is assessed to Excess Profits Tax or earns more than 7% profit is correct.

3. An undertaking in terms of the Second Schedule to the D.P.S.(L.W.T.C.) Order, 1944 may be obtained from the Licensee.

Examiner, C.A.

D.O.P. to Govt. in P.W.D.
No. C.A./1469 Dt. 19-9-45.

Elecl. Br. (1) P.W.D.

Subtd. w.r.t. the O.n. overleaf.

2. :- These ffs. may now be submitted to A(R) with ref. to his note p. 54 d. the 25-7-45. The Co. will be asked to execute an undertaking as suggested by the E.O.A. in para. 3 of his note above on return of these ffs. from A(R).

AMA
21-9-45

GH
21.IX.45

Thanks.

20/9/45

A(R)

A(R)

Mr B 21/9

Mr P

RECEIVED
FILE No. 7024/36
20. SEP. 1945
Bombay No. 30947

El. Br. (1)

The Co. may now be asked to execute an undertaking as per draft put up for approval.

ABB.
4-10-45.

E/C.T
20/9-1-5

7024/36/30947

NO. 7024/36-El.(1)

P. W. D.

B.C., 12th Oct: 1945.

To

M/S. The Bijapur Electric Supply Co, Ltd.

Bijapur.

Sub:- War costs surcharge.

Dear Sirs,

7p 57-55

With ref. to G. O. NO. 7024/36, d. the 26-7-1945, fixing a 25% rate of War cost Surcharge in your case and in pursuance of clause 6 of the Bombay Ely. Supply (Licensed Undertakings' War Costs) Order, 1944, I am directed to request you to execute an undertaking in the form set out in the Second Schedule to the latter Order and file—

x at the Commencement

7024/86/3894/207

file it with Govt.

ABS
4-10-45.

DA-Nil.

Yours faithfully

D.S.

Wb 1-62 remarks 30 lac/-
in Rs

The Bijapur Electric Supply Co., Ltd., Bijapur,
The Licensee under the Bijapur Electric Licence, 1926, hereby declares:-

(a). that if at any time the Bijapur Electric Supply Co's Undertaking is assessed to Excess profits Tax in any chargeable accounting period ending subsequent to the date of War Cost Surcharge is first fixed under the Bombay Electricity Supply (Licensed Undertakings' War Cost) Order 1944, then the amount of the Excess Profit, after deduction of taxation due thereon, will be recorded and the Company will specially reduce the charges for the supply of energy so as to result in an estimated reduction of gross revenue by an approximately equivalent amount during the next succeeding two Accounting Periods following upon the completion of the relative assessment.

Alternatively, if the Government and the Company agree that such a special reduction of the charges for the supply of energy would on account of other factors, result only in a temporary variation or that the reduction would be negligible, the recorded amount will be placed by the Company to a Reserve to be called the "Rates stablisation reserve" and this reserve will be taken fully and fairly into account in determining magnitude of any subsequent revision of War Cost Surcharges or charges for supply of energy whether upwards or downwards.

(b). that if at any time during the enforcement of the taxation provisions of the Excess Profits Tax Act 1940, the Co's Undertaking in any Account Period ending subsequent to the date of War Cost Surcharge is first fixed under the aforesaid Order, earns exceeding 7 % of the average amount of Capital employed in the business during that period, then the amount of the excess, after deducting any smaller amount recorded or set aside to Reserve in terms of clause (a) of this Undertaking and taxation due on such excess, will be taken into account to reduce the charges for supply of energy or be set to the "Rates stabilisation Reserve" in the same manner and on the terms as are set out in the said clause (a).

The Bijapur Electric Supply Co. Ltd., Bijapur.

Abdulkayum & Sons,
Managing Agents.

No. G-273. of 194 5-46.

BIJAPUR 19th October 1945.

To,

The Deputy Secretary to the Government of Bombay,

Public Works Department.

Sir,

pp 61-62

With reference to your letter No.7024/36-El.(I), dated the 12th inst., we beg to enclose herewith the Undertaking in the form set out in the Second Schedule of the (War Cost Surcharge order) Order, 1944.

This undertaking is in connection with the reduction of War Cost Surcharge from ~~xxx~~ 33.1/3 % to 25 % from ~~28th~~ 26th July 1945.

We remain,
Yours faithfully,

Encl :- one.

MANAGER.
THE BIJAPUR ELECTRIC SUPPLY CO. LTD.,
BIJAPUR.

7024/36/35147. 65 64

El. Br-el)

1-h-67-68

The draft post ups may issue if approved.

53

25-10-45.

35.

undertaking

7024/36

2 OCT 1945

35147

7024/36/35147

NO. 7024/36-El.cl>

P. W. D. ✓
1st NN
B.E., 1st ~~Oct.~~ 1945

To
M/S. The Bijapur El. Supply Co., Ltd.,
Bijapur.

Sub:— War costs surcharge.

Dear Sirs,

I am directed to acknowledge the receipt of your letter NO. G. 273, d. the 19-10-45 p. 65 forwarding an undertaking p. 63 duly executed by you in the form set out in the second schedule to the B.E.S. (L.U.W.C.) Order, 1944, x and to state that the said undertaking p. 63 has been recorded in this deptt.

x will be put up if reqd

DA— Nil.

Yours faithfully,

Copy—

7024/36/35147

Copy forwarded for inform. to

the F.D. (with ref. to G.E.S. No. 6331/36-El., d. the 16-6-44 & the 9-8-44) — x will be put up if reqd

the El. Engr. to Govt. (with ref. to G.L. No. 7024/36-El.(1), d. the 28-7-45)

the Exam. O.A. (with ref. to his No. O.A./1469, d. the 19-9-45)

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S.O.

Registered No. B-1

The Bombay Government Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

WEDNESDAY, 9TH AUGUST 1944.

Separate paging is given to this Part in order that it may be filed as a separate compilation.

PART IV-A.

Rules and Orders (other than those published in Parts I and I-A) made by the Government of Bombay under the Acts of Parliament and the Central Acts.

PUBLIC WORKS DEPARTMENT.

Bombay Castle, 9th August 1944.

Order.

No. 6331/36.—In pursuance of clau e 4 (1) of the Bombay Electricity Supply (Licensed Under-kings' War Costs) Ordef, 1944. and subject to the provises to that clause and the provisions of ause 6 of the said Order Government is pleased to fix, with effect from the date of this Order, the te of War Costs Surcharge in respect of the undertakings of the licensees and the sanction holder entioned in column 1 of the annexed schedule at the percentum shown against each of them in lumn 2 of the said schedule.

2. The existing surcharges applied by the said licensees and the sanction holder under the rovisions of the orders issued in Government Notification, Public Works Department, No. 6041/36, ated the 11th March 1943, are withdrawn with effect from the date of this Order and it shall not : lawful for the said licensees and the sanction holder to supply energy at other than charges archarged at the rate fixed in their respective cases in this Order except as provided in clause 5 the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944.

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By order of the Governor of Bombay,
R. H. HAMMETT, Secy.

BOMBAY : PRINTED AT THE GOVERNMENT CENTRAL PRESS.

Registered No. B-1

The Bombay Government Gazette

EXTRAORDINARY

PUBLISHED BY AUTHORITY

FRIDAY, 16TH JUNE 1944.

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PART IV-A.

Rules and Orders (other than those published in Parts I and I-A) made by the Government of Bombay under the Acts of Parliament and the Central Acts.

PUBLIC WORKS DEPARTMENT.

Bombay Castle, 16th June 1944.

Order.

No. 6331/36.—In exercise of the powers conferred by rule 81 of the Defence of India Rules, the Government of Bombay is pleased to make the following Order :—

1. (1) This Order may be called the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944.

(2) It shall come into force at once.

(3) It extends to the whole of the Province of Bombay.

(4) It shall not apply to undertakings where hydraulic power is used for the generation of electrical energy.

2. In this Order, unless there is anything repugnant in the subject or context, expressions shall have the meanings assigned to them in the Indian Electricity Act, 1910, or in the Excess Profits Tax Act, 1940.

3. (1) Every licensee and every person supplying electrical energy with the sanction granted under section 28 of the Indian Electricity Act, 1910 (hereafter referred to as sanction holder), shall, within thirty days from the commencement of this Order, submit a declaration to the Provincial Government through the Electrical Engineer to Government, Bombay, stating whether in his opinion a War Costs Surcharge in terms of this Order is or is not desirable in the case of his undertaking. In the event of a licensee or a sanction holder declaring that such a surcharge is in his opinion desirable as aforesaid he shall also by a writing submitted to the Provincial Government through the Electrical Engineer to Government—

(*a*) declare the rate of the War Costs Surcharge which he deems desirable, calculated in accordance with this Order ;

(*b*) append the relevant calculations showing how the rate of the War Costs Surcharge which he deems desirable has been arrived at ;

(*c*) certify that the aforesaid calculations are correct to the best of his knowledge and belief ;

(*d*) agree to execute the undertaking set out in the Second Schedule to this Order in accordance with such demand as the Provincial Government may, in pursuance of clause 6, think fit to make ;

(*e*) state whether he considers that the Provincial Government should waive the execution of the aforesaid undertaking or clause (*a*) thereof, and, if so, for what reasons.

(2) Every War Costs Surcharge shall be calculated on overall charges of the licensee or sanction holder concerned for the supply of energy before deducting rebate for prompt payment and expressed as a percentage of such charges :

Provided, firstly, that every War Costs Surcharge shall be expressed in terms of a percentage of overall charges of the licensee or sanction holder concerned for the supply of energy before deducting rebate for prompt payment and shall be for application equally to all such charges except as set out in the second proviso to clause 5 ;

Provided, secondly, that no War Costs Surcharge shall exceed a rate which will in estimate result in increasing the gross revenue of the undertaking of the licensee or sanction holder concerned approximately by the amount of the costs which may be taken into account in calculating the said rate under the First Schedule to this Order, plus any amount which may be taken into account in accordance with clause 8 less any amount which is to be taken into account in accordance with the undertaking contained in the Second Schedule to this Order;

Provided, thirdly, that all calculations for arriving at a rate of War Costs Surcharge shall take as a base the best available evidence of relevant expenditure and revenue from sales of energy.

4. (1) Within thirty days from the receipt of a declaration under sub-clause (1) of clause 3, the Provincial Government shall, if a War Costs Surcharge is considered by the licensee or sanction holder to be desirable, by order fix the rate of War Costs Surcharge in respect of the undertaking of that licensee or sanction holder as the case may be, at the declared rate or at the following percentum, whichever is less, namely :—

(*a*) 33 1/3 per centum in the case of undertakings where *diesel oil* is used for the generation of electrical energy,

(*b*) 10 percentum in the case of undertakings where *steam* is used for the generation of electrical energy :

Provided that the Provincial Government may at any time after passing such an order cause an enquiry to be made into the propriety of the calculations of the licensee or sanction holder concerned by which such declared rate has been computed and may order revision of the fixed rate if in its opinion the said calculations are improper ;

Provided further that the Provincial Government may, from time to time, after such enquiry (if any) as it may think fit to cause to be made, enhance the rate fixed under this clause.

(2) No person other than the Provincial Government or the person authorised by it to make an enquiry under the proviso to sub-clause (1) shall be entitled to enquire into the propriety of the calculations leading to the fixation of a War Costs Surcharge.

5. Upon the rate of a War Costs Surcharge being fixed by the Provincial Government from time to time in accordance with this Order, it shall not be lawful for the licensee or sanction holder concerned to supply energy at other than charges surcharged at the rate for the time being so fixed :

Provided that no War Costs Surcharge or any subsequent upward revision thereof shall be effective upon charges contained in any bill covering any energy supplied before the date of the making of the relevant order by the Provincial Government ;

Provided further that no War Costs Surcharge shall be effective upon the charges for the supply of energy under any contract entered into after the 1st May 1942, unless such contract provides for the same charges for energy as have been contained in similar previous contracts for similar supply by the licensee or sanction holder concerned (as to which in the event of dispute by any party interested, the decision of the Provincial Government shall be final) or unless and to such extent as such application may be expressly ordered by the Provincial Government.

6. Upon demand by the Provincial Government after a rate of War Costs Surcharge has been fixed under sub-clause (1) of clause 4, the licensee or sanction holder concerned shall execute an undertaking in the form set out in the Second Schedule to this Order and file it with the Provincial Government :

Provided that the Provincial Government may waive the execution of clause (*a*) of the said undertaking either wholly or partly, if in its opinion the effect would be unduly repressive.

7. Any existing surcharges applied by a licensee or sanction holder under the provisions of the Orders issued in Government Notifications, Public Works Department, No. 6341/36, dated the 11th March 1943, and No. 3053/33, dated the 8th December 1943 to his charges for the supply of energy shall be withdrawn upon the fixing of a rate of War Costs Surcharge applicable to his undertaking under this Order or after 60 days from the commencement of this Order, whichever is earlier.

8. In the event of any restrictions in the use of consumption of electrical energy imposed for securing the defence of any part of British India or for the efficient prosecution of the war or for maintaining supplies and services essential to the life of the community having materially reduced the return on capital employed in any undertaking, the licensee or sanction holder concerned shall be permitted to take the future estimated effect of such reductions wholly or partially into account in calculating the rate of War Costs surcharge under sub-clause (3) of clause 2.

9. (1) The Provincial Government may from time to time on application by a licensee or sanction holder fix by order revised charges and conditions in respect of the licensee's or sanction holder's maintenance of street lighting equipment under any contract, having regard to all relevant circumstances which in the opinion of the Provincial Government should be taken into account for the purpose.

(2) For purposes of application of a War Costs Surcharge and for the purpose of this Order including clause 5 a licensee's or sanction holder's charges for maintenance of street lighting equipment shall be deemed to be charges for the supply of energy.

10. The provisions of this Order shall apply notwithstanding anything contained in any other law or in any license or sanction granted under the Indian Electricity Act, 1910, or in any contract or requisition for the supply of energy or in any contract covering the maintenance of street lighting equipment.

The First Schedule.

[To be read as forming part of the second proviso to sub-clause (2) of clause 3.]

Column 1. The cost which may be taken into account in calculating the rate of War Cost Surcharges.	Column 2. The amounts of the cost detailed in column 1 which may be recovered.
(*a*) Costs which it is estimated will be incurred after the date on which War Costs Surcharges (or any subsequent revision thereof) are imposed and in respect of :— (1) War Risks Insurance. (2) War Injuries Insurance. (3) Dearness Allowances to Staff. (4) Increased cost of maintenance materials properly debitable to current revenue. (This shall be calculated for any period by multiplying the estimated number of units generated in that period by the difference between (*a*) the estimated maintenance materials cost per unit generated in the same period and (*b*) the actual maintenance materials cost per unit generated in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.) (5) Increased cost of Fuel. (This shall be calculated for any period by multiplying the estimated number of tons consumed in that period by the difference between (*a*) the estimated cost per ton consumed in the same period and (*b*) the actual cost per ton consumed in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.) (6) Increased cost of energy purchased from bulk suppliers. (This shall be deemed to be for any period the difference between (*a*) the cost, calculated at the bulk supplier's tariff applicable of the estimated amount of energy purchased at the estimated demand and power factor during that period and (*b*) the amount which the same quantity of energy at the same demand and power factor would have cost calculated at the bulk supplier's tariff applicable in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.)	(*a*) All or part, in the discretion of the Licensee or sanction holder after deducting any amount estimated to be recoverable by the continued operation of increases in or surcharges on the charges for supply of energy as at 31st December 1939, or by the terms of any existing contract for the supply of energy.
(*b*) Costs which were incurred prior to the date on which War Costs Surcharges are first imposed and in respect of :— (1) War Risks Insurance. (2) Dearness Allowances to Staff. (3) Increased cost of maintenance materials properly debitable to current revenue. (This shall be calculated for any period by multiplying the actual number of units generated in that period by the difference between (*a*) the actual maintenance materials cost per unit generated in the same period and (*b*) the actual maintenance materials cost per unit generated in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.) (4) Increased cost of Fuel. (This shall be calculated for any period by multiplying the actual number of tons consumed in that period by the difference between (*a*) the actual cost per ton consumed in the same period and (*b*) the actual cost per ton consumed in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.)	(*b*) So much of the balance after deducting any amount estimated to have already been recovered by the operation of increases in or surcharges on the charges for supply of energy as at 31st December 1939, or by the terms of any contract for the supply of energy, as the Provincial Government may authorise.

(5) Increased cost of energy purchased from bulk suppliers.

(This shall be deemed to be for any period the difference between (*a*) the cost, calculated at the bulk supplier's tariff applicable of the actual amount of energy purchased at the actual demand and power factor during that period and (*b*) the amount which the same quantity of energy at the same demand and power factor would have cost calculated at the bulk supplier's tariff applicable in the corresponding period of the Licensee's or sanction holder's Accounting Year ending in 1939.)

The Second Schedule.

[*See* clause 3 (1) (*d*) and 6.]

The.....Electric Supply Co. Ltd., the Licensee/sanction holder under the..... Electric Licence/sanction hereby declares—

(*a*) that if at any time the.....Company's Undertaking is assessed to Excess Profits Tax in any chargeable accounting period ending subsequent to the date of War Cost Surcharge is first fixed under the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944, then the amount of the Excess Profit, after deduction of taxation due thereon, will be recorded and the Company will specially reduce the charges for the supply of energy so as to result in an estimated reduction of gross revenue by an approximately equivalent amount during the next succeeding two Accounting Periods following upon the completion of the relative assessment.

Alternatively, if the Government and the Company agree that such a special reduction of the charges for the supply of energy would, on account of other factors, result only in a temporary variation, or that the reduction would be negligible, the recorded amount will be placed by the Company to a Reserve to be called the "Rates Stabilisation Reserve" and this reserve will be taken fully and fairly into account in determining the magnitude of any subsequent revision of War Cost Surcharges or charges for supply of energy whether upwards or downwards.

(*b*) that if at any time during the enforcement of the taxation provisions of the Excess Profits Tax Act, 1940, the Company's Undertaking in any Accounting Period ending subsequent to the date of War Cost Surcharge is first fixed under the aforesaid Order, earns profits exceeding 7 per cent. of the average amount of Capital employed in the business during that period, then the amount of the excess, after deducting any smaller amount recorded or set aside to Reserve in terms of clause (*a*) of this undertaking and the taxation due on such excess, will be taken into account to reduce the charges for supply of energy or be set to the "Rates Stabilisation Reserve" in the same manner and on the same terms as are set out in the said clause (*a*).

By order of the Governor of Bombay,
R. H. HAMMETT, Secy.

1273 of 1944-1945.

...CIPAL OFFICE, BIJAPUR

Date 30.9.1944

From,

S. G. Patil Esq,
PRESIDENT, MUNICIPAL BOROUGH,
BIJAPUR.

To,

The Manager,
the Bijapur Electric Supply Co., Bijapur

Subject: Surcharge.

Sir,

With reference to the Order No.6331/36 of the Bombay Govt. P.W.D.,dated 9.8.44, I have the honour to bring to your kind notice th following few lines for due consideration & necessary action.

I understand from the Chief Officer that you contemplate preferring bills for surcharge (in connection with energy supplied by you for municipal street lights) on the authority of the said order of the Government.

In this connection I have to invite your attention to this office No.463 of 2.6.43, addressed to the Collector of Bijapur and No. 423 of 27.5.43 addressed to the Lighting Sub-committee of this Munici--pality, copies whereof were duly forwarded to you. A perusal of the said communications will put you in mind of the history that preceded the present running contract existing between you & the Municipality with regard to the street lighting. In accordance with the advice of the Collector who was approached by both the municipality and the Electric Supply Co., it was settled that the Electric Supply Co. shoul agree to continue electric street lighting at 0.5.0 per unit for energ and 0.3.6 per light per month for maintenance. According to the said agreement you waived the surcharge on the bills for electric energy - supplied to the municipal street lights though you levied surcharge fo same months from private consumers, in pursuance of the order No. 6041/36 dated the 11th.March 1943 of the Govt. of Bombay in the Public Works Department. You may please see, therefore, that, under the - circumstances you cannot levy any surcharge on the bills for municipal street lighting.

I may also invite your kind attention to para 2 of the order dated 9th.August 1944 in the concldding portion whereof a reference is made to clause 5 of the Bombay Electricity Supply (Licensed undertakings' war costs) order, 1944. The said clause provides that -

'no war costs ' surcharge shall be effective upon the charges for the supply of energy under any contract entered into after the 1st.May 1942 unless such contract provides for the same charges for energy as have been contained in similar previous contracts for similar supply by the licensee or sanctioned holder concerned (as to which in the event of dispute by any party interested the decision of the Provincial Govt. shall be final) or unless and to such extent as such application may be expressly ordered by the Provincial Government ". In view of this proviso contained in clause 5 of the order No.6331/36 dated 16th June 1944 of the Govt. of Bombay in the Public Works Department, itiis clear that no - surcharge for the supply of energy to the Municipal street lights the present running contract in connection wherewith was entered into with effect from 1.6.43. I hope you will agree with me and not levy any surcharge on bills for municipal street lighting, on the authority of the said Govt. order dated 9th.Aug. 1944. This finishes with the question of surcharge on bills for street lighting.

Now, with regard to the surcharge which you propose to levy from the consumers on the authority of the said order of the Govt. dated 9th.August 1944 (please vide the notice, without date, issued by you to the consumers), I have again to bring to your kind notice the two communications dated 27.5.44 and 2.6.44 - referred to above which refer also to the history behind the fact that you stopped levying from the consumers from 1.8.1943 the - surcharge whibh you were levying on the authority of the order dated 11.3.43 referred to above. The Municipality, as a big - consumer and as a representative body speaking on behalf of the public, protested against the surcharge which was being levied by you from the consumers from 1.4.43. The President,the Vice President, Chairman, Standing committee and Chief Officer of the municipality met the Collector of Bijapur on 27.5.43 and clearly explained the unjustifiability of the levy of surcharge on the consumers of Bijapur in view of the rates charged by other - electric supply companies. You were also present in the meeting by appointment. It was also explained then that as you had already

raised the rate of electric energy from 0.6.0 to 0.8.0 per unit with effect from 1.9.42, any levy of surcharge again on this enhanced rate would be out of all proportion to the rates obtaining elsewhere. As advised by the Collector of Bijapur during the said meeting, you agreed to levy the highest rate charged by any - Electric Supply Coy. in the southern division. The Collector asked you and the municipality to obtain rates charged by other Electric Supply companies in the southern division. By this office No.672 of 1.7.43, the Collector of Bijapur was informed that the highest rate that was charged in the southern division was 0.6.0 per unit which with 33⅓ as surcharge amounted to 0.8.0 per unit. You, - therefore, stopped levying the surcharge from the consumers from 1.8.1943, and again continued to levy the charges of 0.8.0 per - unit. In increasing the rate of energy per unit from 0.6.0 to 0.8.0 from 1.9.(14) you have been long since getting the benefit of the war costs' surcharge contemplated in the orders dated 11.3.1943 & 9.8.44. To seek to levy again a surcharge of 33⅓% on the enhanced rate of 0.8.0 per unit would be obviously tantamount to securing double benefits from the proposed surcharge. Your present rate of energy per unit with a surcharge of 33⅓% added to it will amount to 0.10.0 per unit which is obviously unjustifiable and out of - proportion to the rate charged by any other electric supply company in the southern division. In defence of your proposed levy of - surcharge you may, perhaps, try to take shelter under the argument that the Government order dated 9.8.44 is mandatory and leaves no option to you but to levy the proposed surcharge. But I may invite your attention to clause 5 of the order dated 16.6.44 referred to in the concluding portion of the order dated 9th.August 1944 the relevant portion of the proviso whereof has been quoted above. The said proviso expressly states that no war costs' surcharge shall be effective upon the charges for the supply of energy under any contract entered into after 1.6.42 unless such contract provides for the same charges for energy as have been contained in similar previous contract for similar supply by the licensee concerned.

As you increased the rate of 0.6.0 per unit to 0.8.0 from - 1.9.42 i.e.after the date 1st.May 1942 incorporated in the said proviso, the relations between you and the consumers amount to a contract entered into after the 1st.May 1942, as contemplated in the said proviso, not to speak of the spirit of the said - proviso which obviously means that you cannot levy any surcharge on the enhanced rate enforced by you after 1.5.42.

I hope you will agree with me in a reasonable spirit & in the interests of proper understanding and relations between the Supply Co. and the consumers. Let not the consumers feel that you are out to take all possible advantages to screw out the highest possible, though exorbitant and unjustifiable, rate from the consumers. If you are pleased not to agree to my view, this may be treated as a communication disputing your claim to the proposed surcharge. Let us await the decision of the - Provincial Government contemplated in the said proviso to - clause 5 of the Government order dated 16.6.44. In the meanwhile you may please note that you cannot rush in to levy from the consumers the proposed surcharge until the Provincial Govt. gives its decision.

An early reply is requested as in the event of your not agreeing with my view, I will have to place the matter - before the General Body with a view to move the Provincial - Government to take up the matter for their decision.

Yours faithfully,

Sd/ S.I.Patil

President,
Municipal Borough, Bijapur.

No. 1579 of 1944-1945.
MUNICIPAL OFFICE, BIJAPUR.
Date 17-11-44

From,

S. G. Patil Esq,
PRESIDENT, MUNICIPAL BOROUGH,
BIJAPUR.

To,

The Secretary
to the Government
Public Works Department, Bombay.

Subject: Bijapur Electric supply Co.,
Levy of surcharge by -

Sir,

pp 1-4

I have thehonour to forward herewith a copy of my letter No.1273 of 30.9.44, addressed to the Electric Supply Co., Bijapur wherein I have questioned the legality of the levy of surcharge on:

1. Electrical energy supplied to the Municipal street lights.
2. Electrical energy supplied to the consumers(the Municipality being one of the consumers)

No action in levy.

The Supply Co., has, however, not included in the bill for the month of September last any surcharge for the energy supplied to the street lights. This point regarding surcharge on street lights automatically drops down.

Inspite of raising, in the said communication, a dispute regarding his claims to the surcharge on the consumers, the Electric Supply Co. has included, in the bill, surcharge on the energy suppli

supplied to the municipal offices.

The Electric Supply Co.,has not even given any reply to the said communication of mine. It was upto the Electric Supply Co. to express disagreement with my view and to await the decision of the Provincial Government.

My letter in question was placed before the General Body of this Municipality on 9.10.44 when it was resolved as under:-

" The view taken by the President in his letter No.1273 of 30.9.44 is correct and the Provincial Government sould be approached for decision of the issues raised by the President in the said letter. "

I have nothing to add to what I have stated in my letter under reference in suppert of my view.

It is requested that you would kindly consider the matter sympathetically and give your decision about my objection re:the legality of the levy of surcharge on the Electric Supply company.

Your obedient servant,

President,
M.B. Bijapur.

Copy forwarded w.cs. to the Manager, the Bijapur Electric Supply Co., with a request to suspend levying the surcharge on the consumers, pending decision on the dispute raised by the municipality.

PUBLIC WORKS DEPARTMENT
File No. 7024/36
20. NOV. 1941
Serial No. 32137

El. Br.

The Bijapur Munp. has complained against the Bijapur El. Supply Co. wh. levies a $33\frac{1}{3}$% surcharge on its charges for supply of energy in spite of the fact that the rate per unit of energy supplied has been increased from Rs. 0-6-0 to Rs. 0-8-0 w.e.f. the 1-9-42. The total charges for consumption of energy thus amount to Rs. 0-10-8 per unit wh. rate seems to be quite exorbitant.

2. G.O.× No. 6331/36, d. the 9-8-44 issued under cl. 4(1) of the B'bay Ely. Supply (Licensed Undertakings' War Costs) Order,× 1944, fixes a $33\frac{1}{3}$% rate of War Costs Surcharge in respect of the Bijapur Co. and Cl. 5 of the latter Order makes it unlawful for the licensee to supply energy at other than charges surcharged at the rate fixed in his case. Proviso 2. to cl. 5 of the War Costs Order,× however, lays it down that no w.c.s. shall be effective upon the charges for the supply of energy under any contract entered into after the 1-5-43 unless such contract provides for the same charges for energy as have been contained in similar previous contracts for similar supply by the

Pram-

7024/36
32137

the Co. must be having a contract with each of its consumers for supply of energy in the form set out in Annexure B of the Coy's Miscellaneous Charges and Conditions for supply of energy. In accordance with cl. 4 of this form, a consumer has to pay to the Co. for the energy supplied, at the rate from time to time in force. The question is whether, as contemplated by the President, Bijapur Mumy., a consumer (already having an agreement in this form) can be said to have entered into a new agreement with the Co. w.e.f. the 1-9-42 on acct. of the increase in rate effected by the Co. from that date. If so, proviso 2 to cl. 5 of the W.C. Order wd. apply to the case in view. The R.L.A. may be requested U.O. to advise on this point.

3. It is subtd. here for information that a reduction in the present 33⅓% rate fixed in the case of the Bijapur Co. has been recommended by the Examiner, Outside Audit who has gone through the calculations of the Co. leading to that rate. Those pps. have been refd. U.O. to the El. Engr. to Govt. for remarks. He may, therefore,.... see those pps. also U.O.

BBA
27-4-45

U.O.R. to the El. Engr. to Govt. and the R.L.A. (in succession)

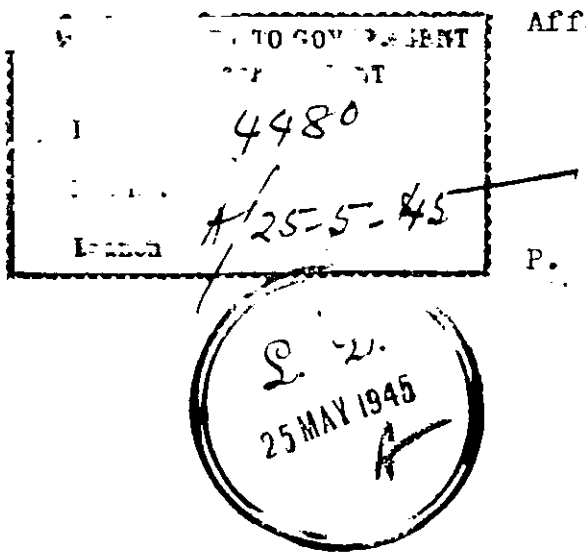
Below U.O.E.No.7024/36/32137 dated the 30th April 1945, from Government in the Public Works Department.

No. LRev 31 866 of 1945.

Bombay, 24th May 1945.

Seen and passed on, with compliments, to the Remembrancer of Legal Affairs.

Electrical Engineer to Govt.



Office of the R.L.A

The Bijapur Municipality has questioned the legality of the Bijapur Electric Supply Company levying 33 1/3% war costs surcharge on its charges for supply of energy in-spite of the fact that the rate per unit of energy supplied has been increased from 6as. to 8 as. with effect from 1-9-1942. The President of the Bijapur Municipality contends that in view of the increase in the rate with effect from 1-9-1942 no war costs surcharge can be legally levied under the second proviso to clause (5) of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944. The question raised for the consideration of the R.L.A. is whether the contention of the President of the Bijapur Municipality is valid.

2. Clause 5 of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944, provides: "Upon the rate of a War Costs Surcharge being fixed by the Provincial Government from time to time in accordance with this Order, it shall not be lawful for the licensee or sanction holder concerned to supply energy at other than charges surcharged at the rate for the time being so fixed." The second proviso to this clause provides that no war costs surcharge shall be effective upon the charges for the supply of energy under any contract entered into after the 1st May 1942 unless such contract provides for the same charges for energy as have been contained in similar previous contracts for similar supply by the licensee or sanction holder concerned etc.

3. The agreement between the Bijapur Municipality and the Bijapur Electric Supply Company is in the Form Annexure B to the license issued in 1926 which is at page 9 of the P.W.D. File No.2691/36, M Branch. It is not known when the agreement was executed. But it appears from page 27 of the aforesaid P.W.D. File that it was executed sometime in 1938. Clause 4 of the agreement requires the consumer to pay to the licensee for the enrgy so supplied and registered at the rates from time to time in force and paid by similar

consumers. Clause 8 provides that this agreement shall be in force for a period of not less than two years in the first instance from the date of commencement of the supply specified in clause 1 and thereafter shall continue from year to year until the agreement is determined as hereinafter provided. Clause 9 lays down: "The consumer shall not be at liberty save with the consent of the licensee to determine this agreement before the expiration of two years from the date of commencement of the supply of energy hereunder. The consumer may determine this agreement at any time after the said period on giving to the licensee not less than one calendar month's previous notice in writing in that behalf and upon the expiration of the period of such notice this agreement shall cease and determine without prejudice to any right which may then have accrued to the licensee hereunder." It is clear from clauses 8 and 9 that since the period of 2 years expired long ago the agreement would run from year to year unless it has been determined by either party as provided. It is true that in 1942 the licensee increased the rate from 6 as. to 8 as. But that was done in virtue of clause 4 of the agreement. It is no where stated by the President of the Bijapur Municipality that the agreement was determined in 1942 as provided in clause 9 of the agreement. The President however appears to contend that since the rate was increased, the agreement would be deemed to have been varied with the result that thereafter a new agreement could be spelt out. This contention of the President does not appear to be valid. Section 62 of the Indian Contract Act provides that if the parties to a contract agree to substitute a new contract for it or to rescind or alter it the original contract need not be performed. Since the original contract itself empowers the licensee to levy rates from time to time in force, in exercise of which power the rate was changed from 6 as. to 8, there is no question of substitution of any new contract for the original or rescission or alteration thereof and the principle of novation has no application.

Consequently it appears that no new contract has been entered into after 1st May 1942 within the meaning of the second proviso to clause 5 of the Bombay Electricity Supply (Licensed Undertakings' War Costs) Order, 1944 and the levy of the war costs surcharge is valid.

Remembrancer of Legal Affairs.

U.R. to P.W.D., No. 4832 , dated the 28th June 1945.

7024/36
21184

El. Br. (1)

Subtd. w.r.t. the O.N. dated the 27-4-45.

2. Pl. see the R.L.A.'s opinion. Under cl. 5 of the second Annexure to the Bijapur El. License, 1926, the Co. is entitled to enter into a special contract with the Munp. for supply of energy to it. However it appears from the communication within that Munp.'s contract with the Co. may be in the form given in Annexure 'B' to the Conditions of Supply etc.

3 The President may be informed that Govt. presumes that the agreement between the Munp. and the Co. is in the form given in Annexure 'B' to the 'Conditions' etc. in wh. case the provisions of the proviso two to cl. 5 of the War Costs Order wd. not apply to the levy of surcharge by the Co. on the increased charges.

4 The El. Engr. to Govt. may see n.o. first.

7-7-45

U.O.R. to the Elect. Engr. to Govt. dated the 12-7-45.

with Pwd. file No. 691/36.

4512
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WATER DEPARTMENT
No. 7024/36
28 JUN 1945
No. 21184

Below U.O.R.No.7024/36/21184 dated
e 12th July 1945, from Government in the
olic Works Department.

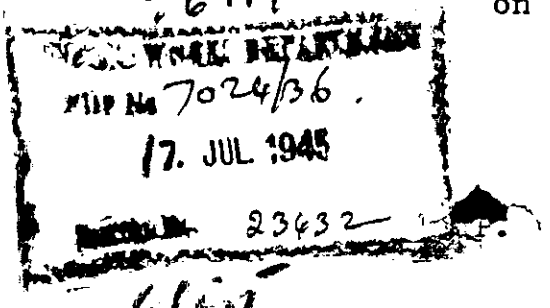
No. L Rev 31 1759 of 1945.

Bombay, 17th July 1945.

Returned, with compliments.

2. I agree to para.3 of the Secretariat office note, and suggest that the President be informed that the surcharge will have to be paid by the Municipality on the increased charges.

Electrical Engineer to Govt.



7024/36
23432

Lett[redacted]

No. 7024/36-El. (1)

P.W.D.,
B.C., 26th July 45.

To.

The President, Municipal Borough,
Bijapur.

Subj:- Levy of War Costs Surcharge by the Bijapur El. Supply Co., Ltd.

Dear Sir,

Ref: your letter No. 1579, d. the 17-11-44, on the subject mentioned above.

2. It is presumed that the agreement between the Bijapur Municipality and the Bijapur El. Supply Co. for the supply of elect. energy to the Municipal Offices was executed before the 1-5-42, and is in the form set out in Annexure 'B' of the Coy.'s Conditions & Miscellaneous Charges for the Supply of Energy sanctioned by Govt. If so, the provisions of the proviso to cl. 5 of the B'bay Ely. Supply (Licensed Undertakings' War Costs) Order, 1944 will not apply to the levy of War Costs Surcharge by the Co. on the increased charges for the supply of energy.

Encl:- Nil

Yours ffly.,

Copy to the Elect. Engr. to Govt. for information w.r.t. his No. [illegible] d. 17.7.45.

MA
24.7.45

EH
24.VII.45

No.906/36-El.(I). Public Works Department,
Bombay Castle, 12th March 1946.

From

The Deputy Secretary to the Government of Bombay,
Public Works Department.

To

Messrs. The Bijapur Electric Supply Company, Limited,
Bijapur.

Subject: Accounts for the year 1944-45.

Dear Sirs,

I am directed to state that the accounts of your undertaking for the year 1944-45 have been accepted by Government and recorded.

2. I am, however, to forward herewith, for information subparagraph of paragraph 3 of the audit report and to request that you will kindly furnish Government with a copy of the order of the Court therein referred to.

Yours faithfully,

Sd.G.N.Pandit,
Deputy Secretary to the Government of Bombay,
Public Works Department.

D.A: Extract.

Copy forwarded for information to —

the Accountant General, Bombay, with reference to his letter No.O.A.243/3096, dated the 19th February 1946,

the Electrical Engineer to Government with reference to his No.LA 8/5153, dated the 1st March 1946.

VPA 16/4-.

T.C. Original in file No. ASS Tent 906/36.

46 by Mr. R. H. Joshi, Pleader for Plff

Copy applied for on 29th (twenty ninth) March 1946

Copy ready for delivery on 30th (thirtieth) March 1946

A.V. Kulkarni

Clerk of the Court

Copy delivered / sent by V.P.P. on 30th March 1946

A.V. Kulkarni

Clerk of the Court

Civil suit no.440 of 1944. Ex.5.

In the Court of the First class Sub-Judge,

Bijapur.

1.The Electricity Consumers' Association,Bijapur. Plaintiff.

Vs.

1.The Bijapur Electric Supply Co.,Bijapur.....Defendant.

Plaintiff has filed this suit for injunction restraining the defendant from collecting surcharge from consumers.From the contents of the plaint it is obvious that the defendant's action is illegal and improper.He is about to collect the same and if he does so before the disposal of this suit,it would be difficult for the comsumers to recover it from the defendant.In fact it would involve as many as 600 separate suits for petty amounts.

It is therefore prayed that an interim injunction restraining the defendant from collecting surcharge be issued pending the disposal of this suit.Plaintiff is willing to pay emergent process fees and incidental charges.

Bijapur: Sd. T. N. Darbar.

9-10-44.

ಮೂರನ್ನೂ ಸಾಮಾನ್ಯರ ಭವಿಷ್ಯ ಕುರಿತು, ಬ್ರಾಹ್ಮಣ, ಮತ್ತು ವಕೀಲ ಕಾರಣಾಂತರ ನಾನು ವಿಚ್ಛೇದನಾಂತರ ವಾದ ತರ್ಕ ಪೀಠಿಕೆ ಬಿಲಿಯನ್ನಾ ಮಾಂತ ಅಂಥದೊಂದು ಮಾಡಲಾದವನ್ನು ಮೀಲಿದಿಲ್ಲ ಮಾಡಿನ್ನ ಬರೆದ ಮೊಂಬತ್ತು ಮಾಜರೂರು ನನ್ನ ಶ್ವೇತಾಂತ ಮೋಹಿತ ಮಾಡಿತ ಪ್ರಕಾರ ವಿಜಯದೀ. ಆಗಾ ಕ್ಷ-ಗಂ-ಳಳಲ್ಲಿ

Sd/- V. B. Kulkarni

Solemnly affirmed before me by Vithal Bhimaji Kulkarni, clerk to Mr.R.H.Mangoli,pleader,whom I personally know.Dated 9-10-44.

Sd.B.N.Kulkarni,
Clerk of the Court.

Filed in Court on--9-10-44.

Sd. R. H. Mangoli.

Notice to the defendant.Special bailiff allowed.

Fix an early date.

Sd. H. S. Patil,
9-10-44. Joint Sub-Judge.

The defendant undertakes not to recover the 'surcharge'(rate in dispute), ~~from today during the pendency of the suit. The defendant~~ is hereby restrained from recovering anything more than 8 annas per unit from any of the consumers till further orders by this Court. The defendant may however mention any charge he feels he is entitled to, in the bill submitted by him. The defendant is further restrained from cutting out the supply of energy to any of the consumers on the ground of non-payment of anything more than 8 annas per unit.

22-11-44. Sd. H. S. Patil,
Joint Sub- Judge.

Typed by
Sectioner.

Compared by
Sectioner.

SUBORDINATE JUDGE'S COURT BIJAPUR

True copy -

Clerk of the Court.

No. of words:- 398
Copying fee 1-2-
Comparing " 0-5-
Paper cost 0-1-
Type fund. 0-2-
Total Rs 1-10-

Telephone No. 36

The Bijapur Electric Supply Co. Ltd., Bijapur.

Managing Agents:
M/s. Abdulkayum & Sons,
BIJAPUR.

Ref No. G-~~105~~ 108 *of 194* 6-47.

Bijapur
M. S. M Ry.
4th April 1946.

To,

The Deputy Secretary to the Government of Bombay,
Public Works Department.

Subject:- Accounts for the year 1944-45.

Sir,

We are enclosing a Certified Copy of the Order of the Bijapur Civil Court.

The Consumers' Association is the Plaintiff. The suit was filed on 9-10-1944 and the restraining order was passed on 22-11-1944. When the Order was passed we were given to understand that the suit would be decided before 30the April 1945 in view of the fact that the War-Cost Surcharge amount would go on accumulating every month. Unfortunately, however, the suit is still undecided. Our arrears in respect of War-cost Surcharge has amounted to about Rs.12000/- (Rupees twelve thousand).

Please let us know whether you can give us relief in that connection.

Thanking you in anticipation,.

We rema...,

Yours faithfully,

Encl:- One.

MANAGER.
THE BIJAPUR ELECTRIC SUPPLY CO. LTD.
BIJAPUR.

9/IV/46

R.A.F. Museum
Acc. No. 7024/36
Serial No. 13407

7024/36/1340

El. Br. cb

P. W. D.

In his audit report on the annual statement of accounts of the Bijapur El. Supply Co. Ltd., for the year ended 31-3-1945, the E. O. A. stated: "Since September 1944, the Co. has not been able to collect surcharge on account of an order of the Civil Court. The amount due on this account is estimated at about Rs. 4,700/- vide, portion marked "A" on p. 169 of file No. 906/36(1). The El. Engr. to Govt. also, in his u/o. No. LA 8/5153, d. the 1-3-46, drew the attention of Govt. to the above remarks of the Auditor. Since this Deptt. was not aware of any such Order of the Civil Court, refd. to above, a copy thereof was called for from the Company — vide, para 2 of G.L. No. 906/36-El. cb, d. the 12-3-46. The Co. has now sent a certified copy of the Order of the Bijapur Civil Court. It will be seen therefrom that there is a dispute between the Consumer's Association, Bijapur, and the Co. re: the payment of the war Costs surcharge.

2. The w. c. s. was sanctioned by Govt. in the case of this Co. at 33⅓ % in G.O. No. 6331/36, d. the 9-8-44. Subsequently, it has been reduced to 25% from the 26-7-45 — vide, G.O. No. 7024/36, d. the 26-7-45. The surcharge is fixed by Govt. under the provisions of the War Costs Surcharge Order, 1944.

3. The Suit is still pending in the court and the Co. enquires whether Govt. can give any relief in that con. It seems that Govt. cannot do anything in the matter beyond informing the Co. that it should point out to the —

"A" p. 169

do p. 177

do pp. 179-180

p. 72

pp. 15-16

pp. 57-58

T copy at p. 73

24/36/13407

the court that the arrears are accumulating and that the court should pl. expedite its decision. It is for consideration whether the CC. may be informed accordingly. Before, however, any reply is given to the CC., the El. Engr. to Govt: may see these papers no. for remarks, if any.

ABS
7-5-46.

CJ
7/V/46

✓

D S.

+ No to El. engr to govt, of 8-5-46

+ with file no 906/36 II.

No LdRu 31/637 of 10/5/46

Seen & returned with Compliments.

[signature]

[illegible] ENGINEER TO GOVT.
W. P. FORCE

× — × — ×

El Br (1)

P W D

submitted with refee to the O.N. overleaf.

2. The draft, put up, may issue, if appd.

ABS
16-5-46.

El. B.(1) 11/5

P. W. D.
File No. 7024/3
Serial No. 1800

97 1024/36/100

No. 724/36-El.ds P. W. D.

B.C., 17th May 1946.

To

M/S. The Bijapur El. Supply Co. Ltd.,

Bijapur.

Sub :— The Bijapur civil court order restraining the Co. to recover war costs surcharge.

Dear Sirs,

With refce. to your letter No. G-108, d. the 4-4-46, on the subject mentioned above, I am to state that since the question at issue is purely of law, Govt. cannot do anything in the matter. You are, however advised to point out to the court, in consultation with your legal advisers, that it should expedite its decision as

-the-

[redacted]/36/18000

the arrears due to w.e.s. are accumulating.

Yours faithfully,

copy forwarded for inform. to —

the El. Engr. to Govt. with refee to this No. EA M 31/637 d. the 10.-5-46.

ISSUED 16.5.46

EE 16.5.46

AS3
16-5-46.